

DONATED BY

ANNUAL REPORT¹⁸⁸⁶

OF THE

BOARD OF DIRECTORS

OF THE

Lehigh Valley Railroad Company,

TO THE

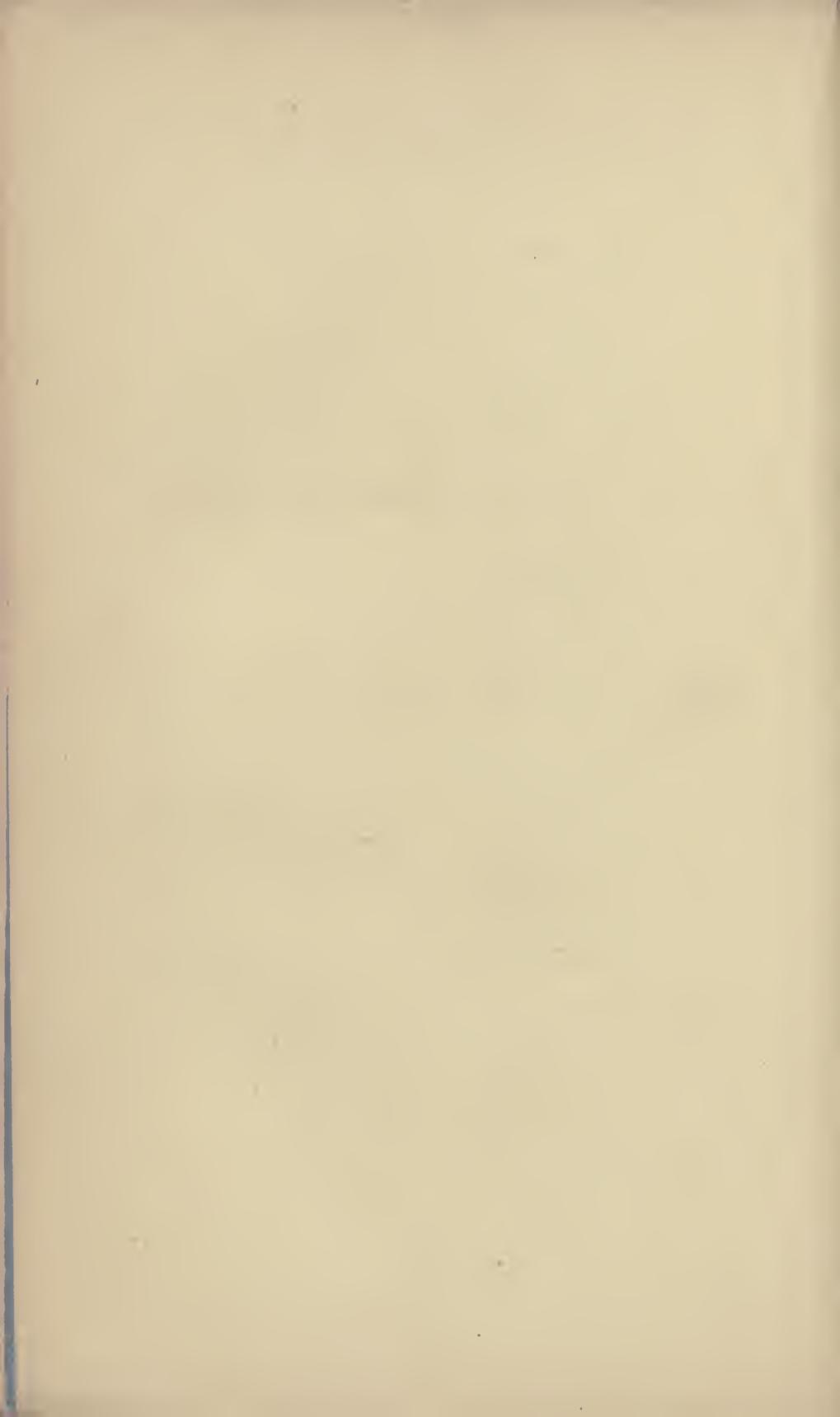
STOCKHOLDERS.

JANUARY 8TH, 1872.

PHILADELPHIA:

A. C. BRYSON & CO., PRINTERS, 607 CHESTNUT STREET.

1872.



ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

OF THE

The logo consists of the words "Lehigh", "Valley", "Railroad", and "Co." in a decorative, serif font. The letters are interconnected by ornate flourishes and scrollwork, particularly between "Lehigh" and "Valley", and between "Railroad" and "Co."

TO THE

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1872.



OFFICERS
OF THE
LEHIGH VALLEY RAILROAD COMPANY,

JANUARY 8th, 1872.

President,

ASA PACKER.

Vice President,

CHARLES HARTSHORNE.

Treasurer,

LLOYD CHAMBERLAIN.

Secretary,

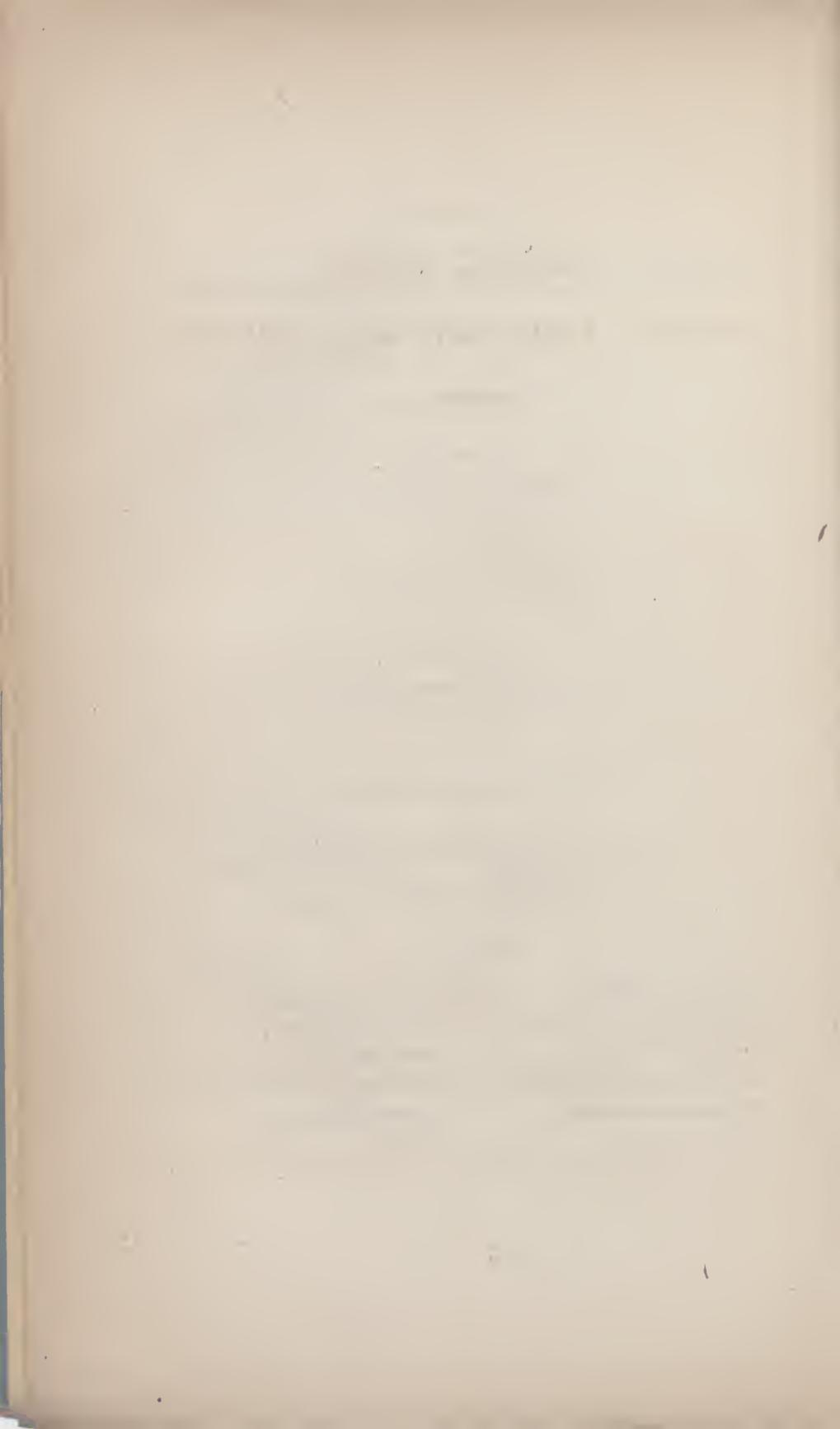
JOHN R. FANSHAWE.

General Superintendent and Chief Engineer,

ROBERT H. SAYRE.

Directors,

Charles Hartshorne,	Ashbel Welch,
William W. Longstreth,	Edward H. Trotter,
J. Gillingham Fell,	Ario Pardee,
John Taylor Johnston,	William L. Conyngham,
William H. Gatzmer,	Edward Roberts,
David Thomas,	William A. Ingham,



ANNUAL REPORT

LEHIGH VALLEY RAIL ROAD COMPANY.

JANUARY 8th, 1872.

THE date of our last Annual Meeting was also that of the beginning of a suspension of mining in all of the Anthracite Coal Regions, which continued for between five and six months. This, of course, caused a great reduction in our Coal Tonnage; the deficiency, as compared with the previous year, having been, at the period of the resumption of work, about 1,100,000 tons. Our facilities for business, however, having been greatly increased, we were able to reduce this deficiency during the last five months to 681,476 tons, showing a loss of that amount as compared with 1870,—but a large gain over any other year.

The total Coal Tonnage for three years is as follows:

For 1869,	- - -	2,331,407	tons.
" 1870,	- - -	3,022,433	"
" 1871,	- - -	2,889,074	"

Of this last amount 1,715,220 tons have been carried in the four months from July 31st to November 30th, (the close of our fiscal year,) showing a carrying capacity of over five million tons, if the trade could be evenly distributed throughout the year.

Our Passenger and General Freight Business have continued to increase.

The Receipts from all sources (including Interest on Investments, Income from Coal Lands, &c.)	
amounted to - - - - -	\$5,902,382 23
Operating Expenses of the Road, - - - - -	\$3,462,029 78
Net Income, - - - - -	\$2,440,352 45

We have redeemed \$61,000 of the Bonds due in 1873, and \$73,000 of those of the Hazleton Coal Company due in 1872, during the last year.

The Supreme Court of the United States, having reversed its former decision, the Interest and principal of these Bonds are now payable in currency.

At the close of our fiscal year, (November 30th,) our Capital Account was as follows:

Preferred and Common Stocks,	-
363,172 Shares, -	\$18,158,600 00
Bonds due in 1873, - - -	902,000 00
Hazleton Coal Company Bonds,	
due in 1872, - - -	59,000 00
Six per cent. Bonds, Coupon and Registered, due in 1898, - - -	3,546,000 00
Seven per cent. Registered Bonds, due in 1910, - - -	4,712,000 00
Floating debt, less Cash on hand,	
Total, - - -	645,142 12
Total, - - -	\$28,022,742 12

The usual quarterly Dividends, amounting to ten per cent. per annum, have been paid on the Preferred and Common Stocks.

Our Coal Trade has suffered for some years from the want of an independent outlet to tide water. As a partial remedy your Board, early in the year, concluded a perpetual lease of

the property of the Morris Canal and Banking Company, by which we came into possession of a line of Canal 102 miles in length, extending from our Rail Road at Phillipsburgh to Jersey City, with a Basin of about 60 acres, having a frontage of 1500 feet on the North River directly opposite the City of New York, and also of much valuable property at other points; together with the equipment of boats, mules, &c., &c., necessary for its operation. We assume the payment of interest on their indebtedness; of dividends averaging seven per cent. per annum on the Preferred and Consolidated Stocks; of the Annual Payment of \$25,000 to the State of New Jersey, and of a small sum for the maintenance of their organization, amounting in all to \$256,000 per annum. Although the business done this year—owing to the stoppage of shipments, consequent upon the strike at the Mines—will fail to produce an income equal to the rent, yet the Board are satisfied that the Lease will result advantageously to this Company. This has been experienced already in the greatly increased capacity for tonnage over our main line, without material increase of Rolling Stock, in consequence of our being able to discharge the cars into boats at the end of our road and return them at once to the Mines.

In pursuance of the same policy this Company has also obtained an interest in the New Jersey West Line Rail Road Company, whose Road is now open from Summit Station on the Morris and Essex Rail Road to Bernardsville, about 14 miles, and of which 13 miles more are expected to be opened to Newark during the coming Spring. The Charter of this Company reaches to the Delaware River near Milford, N. J., but no arrangements have yet been made for the extension of the Road west of Bernardsville.

An extension of the Hazleton Branch into the Valley of Black Creek has just been opened for about nine miles to a junction with the Danville, Hazleton and Wilkesbarre Rail Road; thus making, in connection with that Road, an

alternative route to Sunbury and intermediate points, and affording an additional eastern outlet for the business of the Philadelphia and Erie Rail Road at Sunbury. A large body of Valuable Coal Lands, heretofore undeveloped, can find a market for their produce over this extension.

In accordance with the policy heretofore approved, we have continued to acquire interests in Coal Lands situated in our various regions, and we have also secured a tract at Perth Amboy, N. J., having great advantages as a point for the shipment of Coal.

Our trade, in connection with the line of the Pennsylvania and New York Canal and Rail Road Company, has continued to increase satisfactorily, and we anticipate a yet fuller development for the coming year. Some important connections have been opened this Season, and others are now under construction.

The track of the Southern Central Rail Road of New York has reached Lake Ontario at Fair Haven and they look for a large business, on the opening of navigation, in exchanging Coal from our regions for the products of Canada.

The Ithaca and Athens Rail Road was also opened early in the Autumn to Cayuga Lake at Ithaca, and an extension northward is projected for the coming year.

The extension of the Erie Railway from Buffalo to Niagara Falls has added greatly to our Passenger business over this line, and the increased facilities for our general trade, expected from that Company during the coming year, will be of much importance.

The Montrose Railway Company are now grading a line from Tunkhannock, on the Pennsylvania and New York Rail Road, 27 miles in length to Montrose. This it is proposed to construct as a Narrow Gauge Rail Road, and as it will be

an important feeder to our line we have agreed to assist in its completion, after it has been prepared for the superstructure.

No change has taken place among the general Officers of the Company during the past year.

The Pennsylvania Rail Road Company, having been unexpectedly delayed in the completion of their new office building, are not yet able to give us possession of their premises, No. 238 South Third Street, the purchase of which was reported last year. We hope to be established there in a few months.

For details of the business and other important information we refer to the accompanying report of the General Superintendent and Chief Engineer.

By order of the Board,

ASA PACKER,

President.

OFFICE OF THE SUP'T AND ENG'R L. V. R. R. CO.,
BETHLEHEM, PA., Nov. 30th, 1871.

HON. ASA PACKER,
President L. V. R. R. Co.

DEAR SIR:—The following Report of the business of the Lehigh Valley Rail Road for the fiscal year, ending November 30th 1871, is respectfully submitted.

The total amount of Anthracite coal transported over the main line and branches was 2,889,074 tons.

This coal was derived from the following sources:

FROM	1870	1871	Increase and Decrease.
Wyoming Region	588,596	573,581	*15,015
Hazleton "	2,007,027	1,317,821	*689,206
Upper Lehigh "	12,002	2,343	*9,659
Beaver Meadow "	703,634	480,436	*223,198
Mahanoy "	295,164	498,123	202,959
Mauch Chunk "	2,164	7,889	5,725
Sullivan and Erie Region		8,881	8,881
Total	3,608,587	2,889,074	*719,513

*Decrease.

This coal was delivered as follows:

Where Delivered	1870	1871	Increase and Decrease.
At Mauch Chunk	1,651	1,348	*303
On line of road above M. C.	11,338	12,493	1,155
At and above M. C. for use of Co.	51,734	50,632	*1,102
At L. & B. Junc, to P. & N. Y. R. R.	276,151	311,420	35,269
At Mt. Carmel to N. C. R. W.	3,424	4,766	1,342
At Penn Haven to L&S. R. R. for canal.	300,767	209,734	*91,033
" " " " for rail .		95	95
At Packerton	8,386	7,189	*1,197
At Mauch Chunk for canal	145,115	81,125	*63,990
On line of road below M. C.	662,136	559,296	*102,840
" " " for use of Co.	41,150	29,258	*11,892
To East Penn'a R. R.	61,307	5,521	*55,786
To North Penn'a R. R.	331,725	171,814	*159,911
To Port Del. for Morris canal	197,769	202,153	4,384
To Bel. Del. R. R	567,881	525,837	*42,044
To Central R. R. of N. J.	744,081	541,567	*202,514
To Morris & Essex R. R.	203,972	174,826	*29,146
Total by canal	445,882	290,859	*155,023
Total by rail	3,162,705	2,598,215	*564,490
Grand Total	3,608,587	2,889,074	*719,513

*Decrease.

The almost total suspension of labor in the Anthracite Regions, for a period of nearly six months, has materially reduced the coal tonnage and receipts therefrom, as compared with last year (which however were unusually large on account of the strike of the miners in Schuylkill County for several months); but compared with 1869, when all regions were at work regularly, we show an increase in tons of 578,904 and in receipts from transportation of \$365,663,59. It will be noticed, that the only one of our outlets to the Eastern market which received so large a tonnage from us as it did the year before, was the Morris Canal, which shows an increase of over 2 per cent.

TONS CARRIED ONE MILE.

		1870	1871	Increase and Decrease.
Above Mauch Chunk				
From Wyoming Region		17,247,035	14,057,076	*3,189,959
“ Hazleton “		44,427,907	29,051,433	*15,376,474
“ Beaver Meadow “		16,006,762	10,935,489	*5,071,273
“ Mahanoy “		10,402,737	18,016,163	7,613,426
“ Sullivan and Erie “			1,300	1,300
Total above Mauch Chunk		88,084,441	72,061,461	*16,022,980
Total below Mauch Chunk		112,996,854	89,665,089	*23,331,765
Grand Total		201,081,295	161,726,550	*39,354,745

*Decrease.

During the same period there were transported 867,271 passengers, equal to 13,412,064 carried one mile: being an increase over the previous year of 20,174 $\frac{1}{2}$, equal to 204,816 carried one mile. Miscellaneous freight transported amounted to, 1,573,745 $\frac{3}{100}$ tons, equal to 53,165,972 $\frac{3}{100}$ tons one mile; being an increase over the previous year of 194,134 $\frac{1}{100}$ tons equal to 13,558,984 $\frac{6}{100}$ tons one mile.

The difficulty of procuring coal during the strike, caused many of our furnaces to go out of blast. This, with the general suspension of labor connected with the mines, and the diversion to competing lines of portions of the business

we formerly had, has temporarily lessened the growth of our miscellaneous freight and passenger business. But increased traffic in connection with the P. & N. Y. C. & R. R, enables us to report an increase in receipts, from these branches of the business, of \$162,387.27.

The following is a statement of the receipts from transportation, and the expenses of conducting the business, including all general expenses, taxes, &c:

From	Gross Receipts.	Expenses.	Nett Receipts.
Coal,	\$3,687,466.83	\$2,308,003.24	\$1,379,463.59
Freight,	1,138,201.13	773,495.30	364,705.83
Pass., Express and Mail, . . .	465,056.69	380,531.24	84,525.45
Total,	\$5,290,724.65	\$3,462,029.78	\$1,828,694.87

The irregularity of the business has had the effect to make the expenses proportionately larger than usual; during the month of February, our total earnings were \$141,695.53, for the month of October, they were \$670,450.54; 59½ per cent of the total receipts were earned in the last five months of the year.

There are now in use, including all divisions of the road, 86.55 miles of double track, and 142.31 miles of single track; - in addition to which, there are 12.98 miles of double track laid, but used as sidings, and 111.87 miles of sidings; making the whole length of track laid, 440.26 miles being an increase during the year 19.79 miles, as follows:

Extension of Hazleton Division. Main Line to Tomhicken,	8.00 miles.
" Sidings, Eastern Division,	6.66 "
" Wyoming "	1.79 "
" Hazleton, "	0.49 "
" Beaver Meadow, "	1.75 "
" Mahanoy, "	1.10 "
	19.79 miles.

The main line of Hazleton Branch has been extended 8 miles, to a connection with the Danville, Hazleton and Wilkesbarre R. R. at Tomhicken, (9 miles from Hazleton.)

There are also on the main line and all the branches, 6.85 miles of grading completed and ready for the track, as follows:

Eastern Division,	. . . . .	0.60 miles.
Wyoming Division,	. . . . .	6.05 "
Beaver Meadow Division,	. . . . .	0.20 "
Total	. . . . .	6.85 miles.

There were charged to expenses the following items, a large portion of which might with propriety have been charged to construction :

Iron and Steel Rails and Joint Plates,	. . . . .	\$286,589 46
Spikes, Switches and Frogs, Bolts and Nuts, Tools, &c.,	. . . . .	66,184 73
Additional Tracks at Easton and South Easton,	. . . . .	85,672 90
Stone Arch at Mud Run and Iron Trestling at Coplay,	. . . . .	32,668 92
Water Tanks,	. . . . .	17,306 42
Renewal and Repairs of Bridges,	. . . . .	25,435 87
Protection Wall and Filling at Catawauqua,	. . . . .	17,960 41
Filling White Haven Trestling,	. . . . .	10,163 79
New Depots at Sugar Noteh, Shenandoah, P. H.	. . . . .
Junction, Jeanesville, Jeddo and Coplay,	. . . . .	13,028 25
New Dwellings at Delano, Hazleton, and on Mahanoy	. . . . .
Division,	. . . . .	28,036 50
		\$583,047 25

The following are the total charges to construction during the year :

Black Creek Extension,	. . . . .	\$194,029 11
Beaver Brook Branch,	. . . . .	2,000 00
Completing Dwellings and Store at Ashburton,	. . . . .	4,866 12
West Line, Slatington, Robinson's, Mill Creek and	. . . . .
Hillman's Branches,	. . . . .	15,840 80
Sidings, Beaver Meadow, Mahanoy and Wyoming	. . . . .
Divisions,	. . . . .	10,602 81
Second Track, Wyoming Division,	. . . . .	11,792 61
Branch to Cake's Breaker,	. . . . .	2,225 00
		\$241,356 45

The Iron Truss Bridge for three tracks, replacing the trestle work at Easton, has been completed and is in use. A similar structure for three tracks has also been built and is now in use, replacing the wooden trestle at Coplay. The stone wall between Catasauqua and Biery's Bridge has been finished, as also the embankment across the new arched Bridge over Mahoning Creek, and the filling in of the Trestle work above White Haven. The excavation of the Rock Cut at Easton, which has been in progress for sometime past, has been completed, and the stone has been used for building a vertical wall, along our canal front at and above Easton Depot, by which this strip of ground is made available for extensions of the necessary sidings at that place. A new culvert has been built at Easton, to drain the tracks of the lower grade. A new covered platform for supplying coal to locomotives has been built, at South Easton Shop.

Vertical walls have been built at and above Glendon in order to give us additional track-room needed at that place.

A new signal station has been built and put in use at the crossing of L. & S. R. R. at Penn Haven Junction.

The Stringer Bridge across Mud Run has been replaced by a substantial arched bridge of one 40-feet span.

A new culvert 420 feet in length, has been built near South Wilkes-Barre to carry a Mill Race interfered with by a second track which was necessary at that point for our increasing business.

An iron girder bridge has been built across the canal basin at Wilkes-Barre on second track. A new foot bridge has been built across the canal at Northampton, South Wilkes-Barre.

On Beaver Meadow Division, bridge No. 2 has been replaced by a new Iron Girder Bridge and No. 3 has been rebuilt. The water-power at Weatherly Shop nearly failed

from drought during the past summer and, in order to be prepared for a similar state of affairs in future, a stationary engine has been built for use as a substitute for the water-power if needed, or as an auxiliary to it. During the year we have erected an additional telegraph wire from Packerton to L. & B. R. R. Junction, which was much needed for through business.

The telegraph line in use upon our road, is now as follows:

	Distance.	Length of Wire.
Easton to Paekerton, single wire,	44.5 miles.	44.5 miles.
Packerton to Wilkes Barre, double wire,	56.5 "	113.0 "
Line at Easton, connecting several Depots,	2.0 "	2.0 "
Packerton to Hazleton & Mt. Carmel including loops, 83.5	"	83.5 "
Bethlehem to Philadelphia,	55.0 "	55.0 "
Total	<hr/> 241.5 "	<hr/> 298.0 "

With 35 offices and 47 sets of Instruments.

RAILS.

The steel rails laid on Beaver Meadow Division in May 1864, present much the same appearance as at last Report. One of them has failed and has been removed from the track.

We have relaid track during the year with steel rails as follows:

On Eastern Division	17.39 miles.
" Wyoming "	7.41 "
" Beaver Meadow Division	5.68 "
Total	<hr/> 30.48 "

We have new steel track in use as follows:

On Eastern Division	44.08 miles.
" Wyoming	8.70 "
" Beaver Meadow	10.01 "
Total	<hr/> 62.79 "

All of the down track from Mauch Chunk to Easton is now laid with steel except about 6 miles of English guaranteed rails which are being replaced with steel as fast as they wear out.

The steel Rails laid on Packerton scale, and which have now been in use $2\frac{1}{2}$ years have passed 8,813,493 tons and are still in good condition.

BUILDINGS.

The depots at Coplay and Shenandoah, commenced last year, have been completed.

The following new buildings have been erected:

A carpenter shop at South Easton 100 by 40 feet for bridge work.

A depot, with rooms for dwelling in second story, at Penn Haven Junction.

A house for track men, two miles north of Fairview.

A dispatcher's office and station house combined, at Sugar Notch.

A brick boiler-house 11 by 26 feet at Weatherly shop.

A telegraph office 12 by 14 feet at Hazle Creek Bridge.

A tool house 12 by 14 feet at Foundryville.

Ten double tenement houses at Hazleton.

A stone sand house 20 by 36 feet, a frame boiler shop 35 70 feet, two dwellings and four blocks of tenement houses at Delano.

One of the dwelling houses near Wilkesbarre Depot, has been fitted up as an office for the Superintendent of Wyoming Division.

A brick freight house, 93 by 37 feet has been commenced under the new iron bridge at Easton.

The following new water stations have been built:

A tank with two cranes, at Mauch Chunk Depot, and a crane at East Mauch Chunk.

A new tank at White Haven, to be supplied with water from the Lehigh.

A new tank between Delano and Myersville.

The grading of the grounds for new engine house and shop and for the change of main line of road on the P. & N. Y. R. R. at Wilkesbarre, has been completed; the necessary bridges are in progress; a stone culvert is being built, to drain the shop grounds; a new turn-table has already been built, and a brick engine house, with stalls for 14 engines is in progress.

EQUIPMENT.

Our locomotive equipment has been increased during the year as follows:

Engines purchased,	13
" built at our own shop,	8
	<hr/>
	21
Less sold to P. & N. Y. C. & R. R. Co.,	7
" Engine Lehigh, condemned,	1
	<hr/>
	8
Total increase,	<hr/> 13

In addition to the 8 locomotives noted above, we have built new cars for increase of stock, at our own shops as follows:

- 4 Baggage and Express Cars.
- 25 Gravel Cars.
- 1 Four-wheel Platform Car.
- 2 Four-wheel Caboose Cars.
- 3 Eight-wheel Caboose Cars.
- 51 Eight-wheel Platform and Gondola Cars.
- 49 Six-wheel Platform Cars.
- 14 Lime Cars.

And have purchased by contract,

- 2 Passenger Cars.
- 200 House Cars.
- 1400 Four-wheel Coal Cars.

Our equipment is now as follows:

Engines of all classes,	171
Passenger Cars,	38
Baggage and Express Cars,	21
Gravel Cars,	69
Wreck and Tool Cars,	8
Four-wheel Platform Cars,	13
Four-wheel Caboose Cars,	2
Eight-wheel Caboose Cars,	12
House Cars,	200
Eight-Wheel Platform and Gondola Cars,	536
Six-wheel Platform Cars,	100
Lime Cars,	44
Coal Cars, (rated as four-wheel),	14,054

We have now in process of construction about our own shops four, and under contract with M. Baird & Co., six Freight Engines.

I think the time has arrived for increasing our transportation facilities from Wyoming Valley. As stated in a former report, three plans present themselves, viz: double tracking our present line from Wilkes-Barre to Fairview; building a series of inclined planes; or building a new road from the vicinity of Pittston to the top of the mountain at Fairview.

All have their merits, but a careful examination and deliberation upon the subject induces me to recommend the latter as by it a saving in distance of 6 miles is effected between Pittston and Fairview. The maximum grade to be overcome will be 58 feet per mile against 96 feet by our present line which increases its capacity 50 per cent in weight of trains hauled.

It will relieve the now over crowded single track through the Borough of Pittston, and will furnish the best outlet to Eastern markets, for the product of our lands and the lands of others in the vicinity of Pittston.

The extension of the Hazleton branch down Black Creek to a connection with the Danville, Hazleton & Wilkes-Barre R. R. (9 miles from Hazleton), was put under contract early in the year and is just completed. By this route Danville is reached in 42 miles, Sunbury in 54 miles and Lewistown on the Pennsylvania R. R. in 104 miles from Hazleton.

Very little has been done during the present year toward the development of the coal in Black Creek Valley, but it cannot be long before a large coal tonnage will be offered for transportation from this basin, now fully opened, to all markets by the completion of the extension above named.

My thanks are due to the Assistant General Superintendent, Division Superintendents, and the heads of the various departments, for their zeal and faithfulness in the discharge of the duties devolving upon them.

Very Respectfully, Yours,

ROBERT H. SAYRE.

Superintendent and Engineer

TABULAR STATEMENT OF THE TONNAGE, RECEIPTS, AND OTHER DETAILS OF THE BUSINESS OF THE LEHIGH VALLEY
RAIL ROAD, FROM ITS OPENING TO THE PRESENT TIME.—NOVEMBER 30th, 1871.

YEAR.	COAL TONNAGE. EAST OF MUCH CHUNK.	TOTAL TONNAGE.	TOTAL RECEIPTS.	NETT RECEIPTS.	GROSS RECEIPTS. PER MILE.	LOCOS.	COAL CARS.	MILES OF MAIN ROAD.	YEAR.
1855 (Three Mos.)	8,482 16	8,482 16	\$ 17,281 63	\$ 7,050 45	\$ 375 69	4		46	1855 (Three Mos.)
1856	165,740 00	165,740 00	242,512 61	98,928 65	5,272 01	10		46	1856
1857	418,235 03	418,235 03	441,187 46	268,724 87	9,591 03	15		46	1857
1858	471,020 10	471,029 10	442,045 35	247,371 59	9,609 68	15		46	1858
1859	577,651 10	577,651 10	525,866 48	313,893 58	11,433 88	19		46	1859
1860	730,641 17	730,641 17	679,908 59	342,039 54	14,780 61	21		46	1860
1861	743,671 18	743,671 18	679,491 30	358,153 65	14,771 55	21		46	1861
1862	882,573 14	882,573 14	856,054 53	448,501 71	18,609 88	28		46	1862
1863	1,195,154 18	1,195,154 18	1,370,075 80	780,976 36	29,784 25	29		46	1863
1864	1,295,419 02	1,466,794 02	2,411,917 69	1,406,582 15	27,723 19	53		46	1864
1865	1,402,276 16	1,687,462 00	3,238,337 06	1,873,881 05	37,222 27	58		46	1865
1866	1,730,474 12	2,037,714 07	3,711,574 73	1,963,010 23	29,225 00	86		46	1866
1867	1,948,385 05	2,080,156 16	3,641,136 08	1,844,601 20	23,045 17	90		46	1867
1868	2,225,630 02	2,603,102 11	4,270,649 70	1,769,356 01	22,596 03	117		46	1868
1869	2,015,296 11	2,310,170 08	4,925,061 06	2,104,010 69	26,058 53	136		46	1869
1870	2,810,020 07	3,603,586 13	5,938,167 48	2,320,760 10	30,609 11	158		46	1870
1871	2,210,272 05	2,889,074 03	5,290,724 65	1,828,694 87	26,191 71	171		46	1871
TOTALS,	20,830,951 06	23,876,242 06	\$ 38,681,992 20	\$ 17,976,736 70	\$ 24,150 35	171	14,054	202	TOTALS.

Average Stock Dividends per year from opening of Road, (16 years,) $\frac{5}{16}$ per cent.

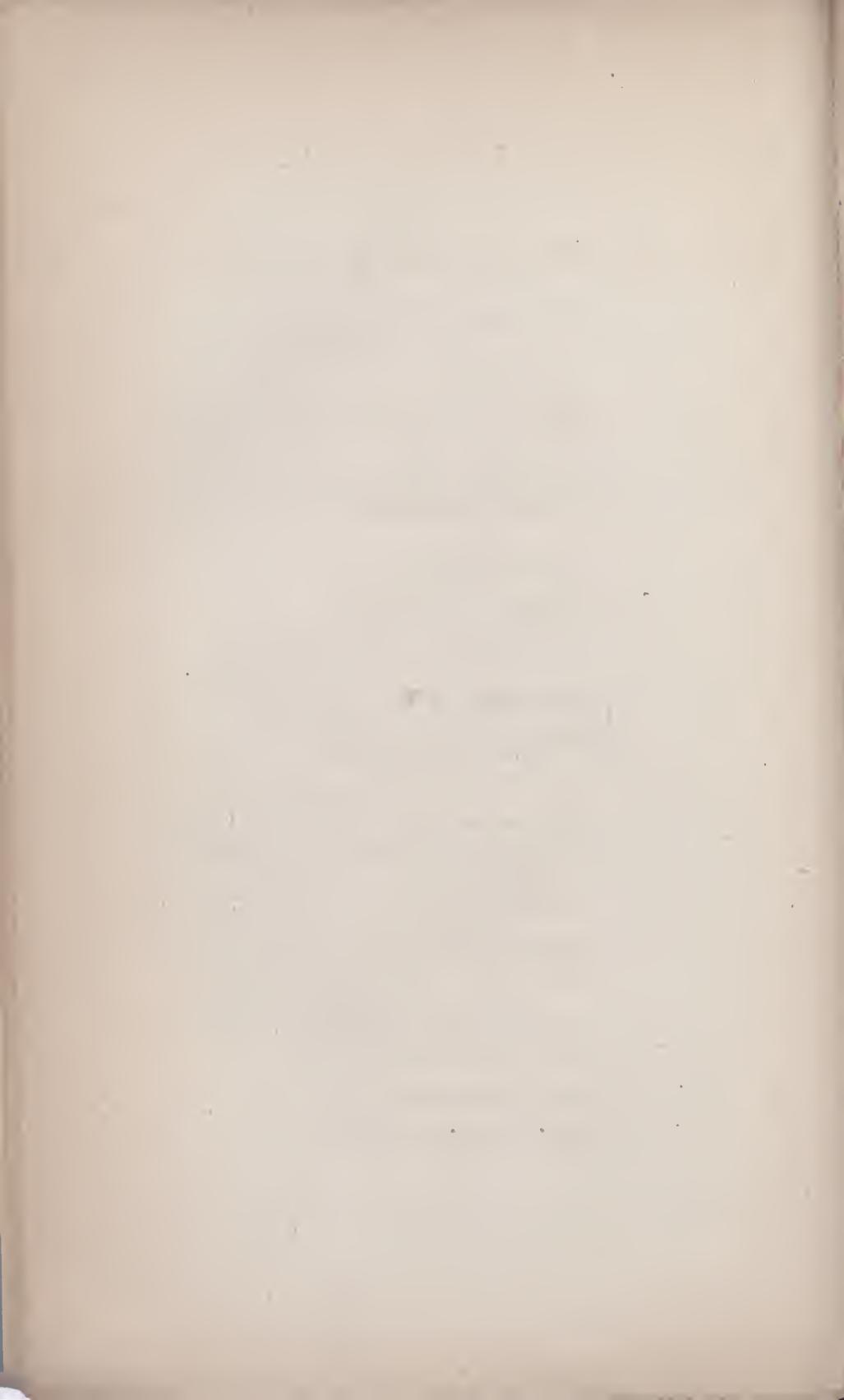
Average Cash Dividends " " $\frac{6}{16}$ per cent.

Average Total Dividends " " $\frac{11}{16}$ per cent.

R E P O R T

OF

THE PENNSYLVANIA AND NEW YORK
CANAL AND RAIL ROAD CO.



OFFICERS
OF THE
PENNSYLVANIA & NEW YORK CANAL AND RAIL ROAD CO.

President,

ROBERT H. SAYRE.

Secretary and Treasurer,

CHARLES HARTSHORNE.

General Superintendent,

ROBERT A. PACKER.

Directors,

Asa Packer,



Chas. F. Welles,

Wm. W. Longstreth,

Chas. Hartshorne,

Robert A. Packer,

Victor E. Piollet,

Garrett B. Linderman,

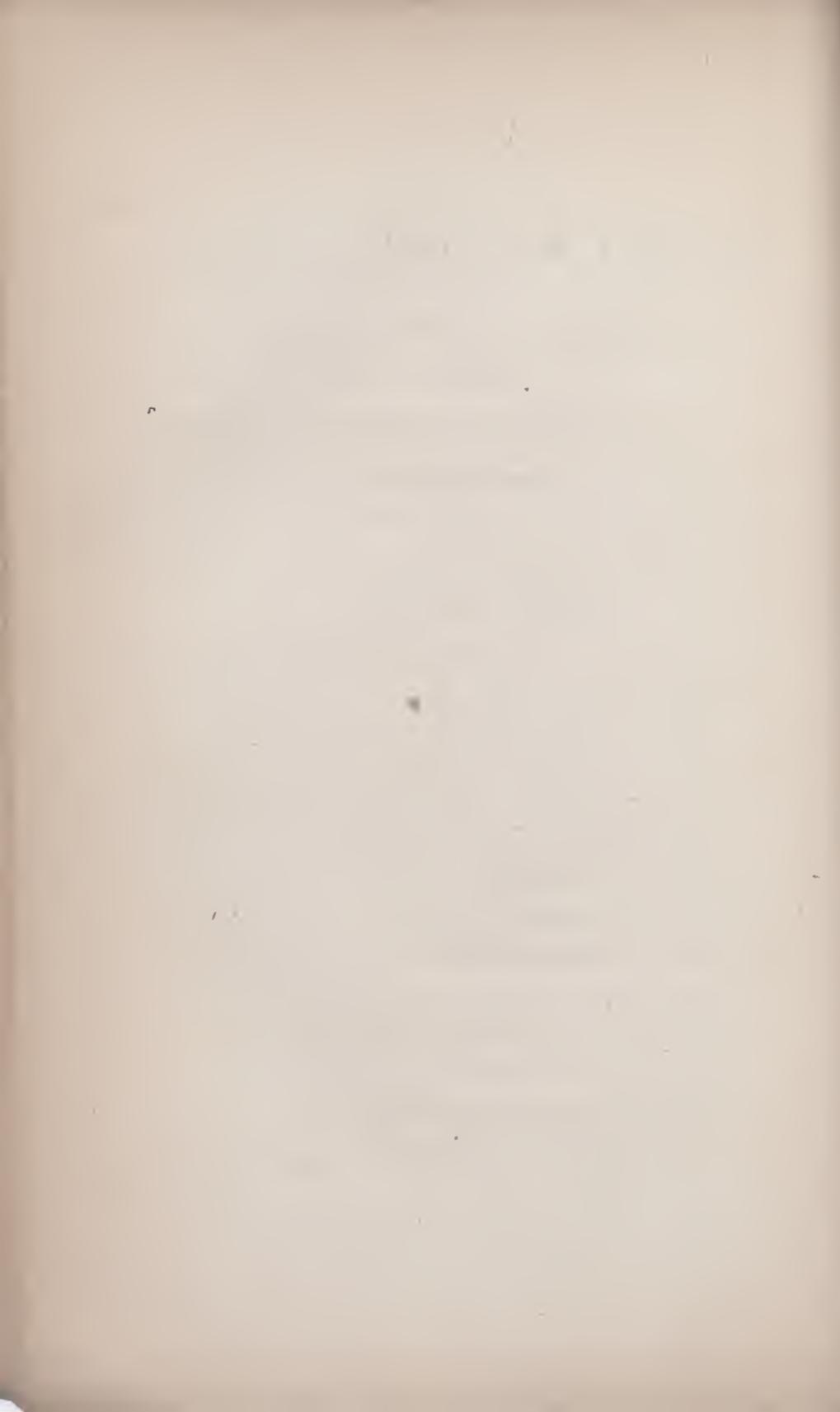
J. Henry Swoyer,

John J. Taylor,

Robert Lockhart,

Jno. W. Hollenback,

Wm. H. Sayre, Jr.



R E P O R T.

*To the Stockholders of
The Pennsylvania and New York
Canal and Railroad Company:*

It is gratifying to be able to report increased tonnage and earnings during the past year, notwithstanding the unfavorable condition of the coal trade for the first six months of the year.

The earnings have been,

	Railroad	Canal.
Coal Transportation . . .	\$ 783,005 28	9,208 82
Freight " . . .	314,981 94	
Pass., Express and Mail . . .	172,634 92	
Miscellaneous . . .	604	
Total Expenses, . . .	\$ 1,271,225 89	9,208 82
	912,089 32	34,852 01
Nett Earnings, . . .	\$ 359,136 57	*25,643 19
Total Net Earnings		\$333,493 38

Against which has been charged:--

Interest on bonds,	194,976,74	
U. S., State and Local Taxes,	27,198,10	222,174,84
Leaving balance applicable to dividend fund, . . .		\$111,318,54

To which has been charged 5 per cent on preferred stock up to January 1st, 1871, amounting to \$87,500. Balance carried to profit and loss.

The earnings from freight and passengers show a rate of increase much exceeding our expectations. We have this year deducted from the freight account the amount received

from Bituminous Coal, amounting to \$31,353.28 but the receipts still show an increase of \$143,570.69 or 57.1 per cent. from Passenger transportation, an increase of \$37,207.96 or 27 $\frac{4}{5}\%$ per cent. and from all sources an increase of \$330,748.85 or 34 $\frac{8}{5}\%$ per cent.

It will be observed that there is a marked decline in the tonnage and receipts of Canal, and with the exception of that part of it necessary as a feeder to the Wyoming Canal might be abandoned without detriment to the public, it having ceased to be of any value as an avenue of transportation.

The total tonnage of our road has exceeded 800,000 tons. Of this amount about 600,000 tons of coal together with freight and passengers was passed over a single track between Towanda and Waverly. The rapid increase of business will soon require an additional track on that portion of the road. This can be had by contracting the width of the canal, which may be done without detriment to the small amount of business doing over it.

The following statement shows the coal tonnage for the years 1870 and 1871.

	1870.		1871.	
	Anthracite	Bituminous	Anthracite	Bituminous
Rail Road . . .	276,151 $\frac{55}{100}$	238,204 $\frac{63}{100}$	311,420 $\frac{15}{100}$	302,262
Canal, North . . .	19,585	65	7,531	. . .
" South. . .	176,190	130	96,243	. . .
Total, . . .	471,926 $\frac{55}{100}$	238,399 $\frac{63}{100}$	415,194 $\frac{15}{10}$	302,262
Grand Total, . . .	710,326 $\frac{18}{100}$ tons.		717,456 $\frac{15}{10}$ tons.	

The total length of track now in use, including branch roads, second track and sidings, is 147.33 miles. This is exclusive of the third rail on both tracks of Erie Railway, on which our trains run to and from Elmira 18 miles west from Waverly. Of the above track 18.91 miles was laid during the year just closed as follows:—

Pleasant Valley Branch	4.90
Southern Central Connection	2.12
Ithaca & Athens "	1.43
Second track and Sidings at various points.	10.46
Total,	<hr/> 18.91

We have now in use, and fully equipped with instruments of the most approved styles, about 216 miles of wire telegraph: as follows:—

Wilkes-Barre to Waverly. 105 miles, 2 wires,	210.
Athens to State Line on Southern Central Branch,	3.5
" " " Ithaca & Athens Branch	3.
Total,	<hr/> 216.5

EQUIPMENT.

Our equipment has been increased during the year as follows:

- 2 Passenger Engines, purchased of M. Baird & Co.
- 7 Freight Engines purchased of L. V. R. R. Co.
- 281 4-wheel, 5-ton Coal Cars "
- 7 4-wheel Caboose Cars, built at the Waverly repair shops.

Our rolling stock now consists of:

- 11 Locomotives.
- 2 Passenger Cars.
- 167 Flat and Gondola Cars.
- 111 Box Cars.
- 45 Stock Cars.
- 781 4-wheel Coal Cars.
- 31 Gravel Cars.
- 13 4-wheel Caboose Cars.
- 1 8-wheel Derrick Car.

And a supply of hand cars and small trucks necessary for repairs of road.

The opening of the Sullivan & Erie R. R., the Southern Central R. R. and the Ithaca & Athens R. R. has contributed to the general business of our road. The former principally as feeder and the two latter as outlets for coal. The general business of all will develop into larger proportions when fully completed and stocked.

Our Company have operated the Sullivan & Erie R. R., and received from that source \$12,563.89. The Sullivan Coal differing materially from the hard Anthracite or the Bituminous, a market had to be created for it, which has tended to retard its development. In November the production had reached 4,578 tons and for the year 18,798 tons, of which 15,589 tons was delivered to us at Towanda. A part of this appears in the coal statistics, the balance is included in freight account.

Our business in connection with the Erie Railway has been very satisfactory and shows a large increase, except in the coal traffic, which was somewhat reduced in consequence of the bulk of it being crowded into the last five months of the year.

A narrow gauge Railroad is now in process of Construction with a reasonable probability of its being completed in the coming year, between Tunkhannock and Montrose, a distance of about 27 miles. It passes through a fertile, well cultivated country and will add to our business as an outlet for coal, returning the product of the soil, forests and dairies, and contributing its quota of passenger travel.

The Buffalo Creek R. R. Co., of which this Company is the principal owner, held its annual meeting of stockholders in the city of Buffalo, N. Y., June 21st; and on August 8th the capital stock of the Company was increased from one hundred to two hundred and fifty thousand dollars to be divided among its stockholders pro rata at their option—the increase to be called in from time to time as circumstances

required. During the year the Company have constructed a very substantial road bed fifty feet wide and some 2,400 feet long along the shore of the Lake, at a cost of some \$18,000. This piece of road was built by driving piles and allowing them to project out of the ground far enough to answer the purpose of a sea wall as well as a road bed, which not only protects the road from washing in eases of storm, but also the ground between the Blackwell Canal and track, thereby enhancing its value very much for wharf purposes. Orders have been given (at the earnest solicitation of property holders), to continue the main track some 2000 feet farther down the river to a point known as "Pratt & Wadham's slip." As this extension will run between the Buffalo river and canal with wharves constructed on both to afford facilities for lake shipping, it is believed that the increased business which the road will receive by reason of the extension will be very considerable. The road bed has been graded to the junction of the New York Central R.R., but the rails have not been laid beyond the junction of the Erie road. When the superstructure is continued to the point named, there will be direct connections with New York Central, Erie, and Lake Shore Railroads, and with New York, Philadelphia and Buffalo. There was transported to November 30th, 88,445 ¹⁷/₁₀₀ tons of Anthracite coal and 25,820 tons of Miscellaneous freight, making a total of 114,265 tons. The receipts for transportation were \$11,150.22 and the expense \$6,761.14 showing a net balance of \$4,389.08. This road connects with the Lehigh Docks," in which the Pa. & N. Y. C. & R. R. Co., are half owners. The property belonging to the Lehigh Dock Company, 1,055 feet in length, extends from the Buffalo river to the Blackwell Canal and 543 feet of the same from the canal to the lake, so by constructing wharves we can have a frontage on the river and canal of nearly 2700 feet. The dock and shipping arrangements on Buffalo river, commenced last year, were completed in May of this year, at a cost of about \$42,000. The total length of the trestling including the approach to the piers is 1,956 feet, and where

the pockets are located is 41 feet above the water. The number of pockets is 58 and have a capacity of 4,500 tons of coal. Should the coal business continue regular for the coming season it is believed the income from the road and docks will pay a handsome dividend, but even though no pecuniary benefit whatever is received from this source, the investment will nevertheless pay the Pa. & N. Y. C. & R. R. Co. largely, inasmuch as it affords a lake outlet for their coal going North, which otherwise could not be provided except at a very much larger outlay.

By order of the Board

ROBERT H. SAYRE,
President,

